



CITIZENS' WATER ADVISORY COMMITTEE
(CWAC)

Wednesday, October 5, 2022, 8:00 a.m.

Virtual Meeting – Microsoft Teams

Legal Action Report and Meeting Minutes

1) **Call to Order / Opening Statement:**

CWAC Chair Rory Juneman called the meeting to order at 8:00 a.m.

2) **Roll Call:**

Those present and absent were:

Present:

Rory Juneman, Chair	Representative, City Manager
Ed Hendel	Representative, Mayor
Val Little	Representative, City Manager
Raye Winch	Representative, City Manager
Steven Washburn*	Representative, City Manager

Raul Ramirez	Representative, Ward 1
Roxanna Valenzuela	Representative, Ward 2
Lisa Shipek	Representative, Ward 3
Robert Jaramillo	Representative, Ward 5
Alison Jones, Vice Chair	Representative, Ward 6
James Doyle	Ex-Officio (Non-Voting) Pima County Regional Wastewater Reclamation Department

Absent:

Mark Stratton	Representative, City Manager
John Kmiec	Ex-Officio (non-Voting) City of Tucson Water Department Director

- 3) **Announcements** – The agenda is reordered prior to the meeting start; items 7. Commercial Tier Rate update and item 8. Expanding the Community Garden Rate would switch places to accommodate the presenters. Chair Juneman requested the members assist in his task to stay track while fostering discussion and present clear and concise motions framed around

*Member Washburn arrived at 0849



the agenda topic, and attempt to have the motions written down for clarity and efficiency before sharing with the committee.

- 4) **Review and approval of September 7, 2022, Legal Action Report and Meeting Minutes –** Member Jones moved to approve the Legal Action Report & Meeting Minutes. Member Little duly seconded the motion. **Discussion:** None. The motion passed on a roll-call vote of 8 – 0.
- 5) **Director's Report –** Deputy Director Silvia Amparano provided brief updates as follows:
 - a) Mayor and Council items: September 27: Colorado River System Conservation update and the Proposed Multi-department rate and fee adjustments . October 18: Proposed Conservation Policies, review and recommendation, Randolph Park PFAS Project authorization & PFAS update. November 9: Pima County Wastewater Billing IGA extension.
 - b) Department updates: Staff vacancies (107), active recruitments (28), and pending new hires (9)

Members asked questions during and after the Mrs. Amparano's presentation.

- 6) ****Update on the Review of New Conservation Policies –** James MacAdam, Tucson Water Business Services Administrator, led a presentation and discussion on the conservation policies moving forward.
 - a) Low Impact Development Ordinance
 - i) Policy Change: require LID in new residential construction
 - ii) Current State:
 - (1) Commercial Rainwater Harvesting Ordinance (CRWHO)
 - (2) LID encouraged in Design Standards for Stormwater Detention & Retention
 - iii) Precedent: Flagstaff, CA, WA, dozens across USA
 - iv) Benefits:
 - (1) Beneficial use of stormwater for urban greening
 - (2) Reduce downstream stormwater management needs
 - (3) Aligns with CRWHO, DTM Green Streets policy, Storm to Shade program, rainwater harvesting rebate programs
 - v) Estimated Savings: not known



- vi) Exemptions: alternate compliance pathways needed for infill
- b) WaterSense-labeled Fixtures for New Construction
 - i) Policy Change: Modify the current 2018 plumbing code to require the use of EPA WaterSense labeled fixtures in new construction.
 - ii) Current State: 2018 plumbing code adopted, requiring higher-flow fixtures
 - iii) Precedent: NV, TX, CA, GA, CO, Cochise County, AZ
 - iv) Benefits:
 - (1) Tested and certified products that achieve 20% savings over regular models
 - (2) Large volume of products available at no additional cost
 - (3) Nationally recognized program like Energy Star
 - v) Estimated Savings: 2025 to 2045, 1,465 acre-feet (af), or (73 af/year), assuming 20% indoor savings for new construction
 - vi) Exemptions: none
- c) Irrigation Meters for New Commercial & Multifamily Properties
 - i) Policy Change: require separate irrigation meters for new commercial & multifamily construction
 - ii) Current State: large developers utilize irrigation meters to save on sewer costs, but it is not required
 - iii) Precedent: CA & UT require; Phoenix & Portland, OR
 - iv) Benefits:
 - (1) More accurate measure of outdoor use
 - (2) Monitor landscape water use for leak
 - (3) Reduced sewer charges & target <10-year payback
 - (4) Aligns with CRWHO need for irrigation-only consumption
 - v) Estimated Savings: 2025 - 2045, 737 acre-feet (af) (37 af/year) assuming a 15% savings for new construction
 - vi) Exemptions: small parcels and/or small use developments (threshold undetermined)
- d) Submetering for New Townhomes & Condos
 - i) Policy Change: Require private submeters to be installed for all new multifamily construction.
 - ii) Current State: One utility meter per property/parcel is current requirement; submetering req in code for CRWHO properties but not currently enforced/reported
 - iii) Precedent: TX, Pima County, Sierra Vista, AZ
 - iv) Benefits:
 - (1) More accurate measure of individual unit use; targeting high use & leaks
 - (2) Aligns with CRWHO submeter requirement

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- v) Estimated Savings: from 2025 – 2045, 159 acre-feet (af) (8 af/yr), assuming a 15% savings
- vi) Exemptions: TBD (ex. low-income housing; ratio utility billing systems implemented)
- e) Net Zero Water Ordinance for New Construction
 - i) Policy Change: A water-neutral approach to growth that does not increase demand and uses water demand offset measures to achieve Net Zero.
 - ii) Current State: System Equity Fee paid by new development, water use availability defined by Assured Water Supply rules (quantified supply to meet demand) & the adopted Water Service Area Policy (geographic growth boundary)
 - iii) Precedent: Santa Fe, NM, Bozeman, MT and 2 cities in MA
 - iv) Benefits:
 - (1) Economic development without additional water demand
 - (2) Offsets may provide efficiency investments in existing properties (ex. low-income retrofits)
 - v) Estimated Savings: 2025 to 2045, 12,000 acre-feet (af) (610 af/year) based on current development/demand projections
 - vi) Opportunity – partnership with UA
 - vii) Exemptions: TBD
- f) Feedback from development community
 - i) Applicability thresholds, grandfathering issues are key, such as:
 - (1) Smaller properties
 - (2) Infill development
 - ii) Adding costs to development
 - iii) Slowing review times

Members and staff discussed the above recommendations and additional considerations during and after the staff presentation.

Motion: Member Shipek motioned “CWAC recommends implementing the three new conservation measures recommended by staff and moving forward the Net Zero Water Ordinance policy study. We also recommends additional conservation measures, which will have near-term and long-term immediate impact on reducing water demand and protecting our groundwater supply, including: 1) tiered rates for commercial customers, 2) an ornamental turf ban + turf removal rebate, 3) expanding conservation incentives to everyone in Greater Tucson, like the toilet rebate. In order to fund additional conservation programs, incentives, and staffing, CWAC recommends allocating additional funds to the

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Conservation Program, including 1) an increase to the Conservation Fee on the water bill, 2) designating the $\frac{1}{3}$ of the differential rate revenue allocated for climate resilience, and 3) utilizing some of the revenue from leaving water in Lake Mead". **Discussion** took place before the motion was called for a second. City Attorney Avery advised City is currently in litigation with Pima County on Differential Rates does not recommend changing the procedures for allocating differential water rate monies. James MacAdam offered additional feedback from the development community. Member Jones recommend change to three separate motions. **Motion died without a second.**

Motion: Member Shipek "CWAC recommends implementing the three new conservation measures recommended by staff and moving forward the Net Zero Water Ordinance policy study". 2nd Raye Winch. **Discussion:** James shared the remainder of his presentation, feedback from the development community; How does create additional costs to development? The slowing review times burdensome for the LID Ordinance, The community had questions on applicability and how might these changes apply to different developments. Member Washburn offered support, and outstanding effort, he also provided information to his daughter for review and comment. **Motion passed on a roll call vote 9-0**

Motion Member Shipek "CWAC recommends additional conservation measures, which will have near-term and long-term immediate impact on reducing water demand and protecting our groundwater supply, including: 1) tiered rates for commercial customers, 2) an ornamental turf ban + turf removal rebate, and 3) expanding conservation incentives to everyone in Greater Tucson, like the toilet rebate". 2nd Ed Hendel **Discussion:** Member Jones would prefer to wait for further analysis of what the tiered commercial rates would be before voting on a recommendation. Member Shipek asked to wait on the motion until after staff presentation on the tiered commercial rates. Discussion ensued on an amendment to the motion. City Attorney Avery advised the motion creator would need to withdrawal and the 2nd would also need to be withdrawn. Chair Juneman asked for clarification on the removal of Commercial Tier Rates. Member Shipeck withdrew, Member Hendel did not withdrawal, the motion was voted on. **Motion passed on a roll call vote 6-3**

Motion Member Shipek "In order to fund additional conservation programs, incentives, and staffing, CWAC recommends allocating additional funds to the Conservation Program, including considering an increase to the Conservation Fee on the water bill, and utilizing some of the revenue from leaving water in Lake Mead". 2nd Ed Hendel **Discussion:** Request motion be placed in the chat for review. Member Jones asked pointed question and details,



what kind of increase? What would 1/3 of the differential rates revenue be? What is the revenue for leaving water in lake mead? Member Ramirez addressed concerns with raising rates, would like to provide a recommendation for funds received by the city for leaving water in lake mead. Member Shipek asked Member Jones who the questions were directed at staff or her. Member Jones responded that they were directed at anyone who could respond. The motion was vague and ramifications for rate increase, needs to be more specific. Member Shipek responded that she hoped the motion was crafted in a way to consider ways to increase revenue for conservation versus direction how to proceed. More conservations programs require more fundig. Understanding that 1/3 of differential rates is allocated to climate resilience, near three million, lake mead revenue is 7.8 million for 2022. Attorney Avery shared information on the 2022 System Conservation efforts of Lake Mead. The agreement is recently signed and the revenue is uncertain based on actual conservation reduction. May not be the full 30,000 AF, Council also asked staff to negotiate Intentional Created Surplus out of lake Mead from Gila River Indian Community, credits have not been determined. The 7.8 million does not include savings of CAP fees. Actual funding is undetermined. If the members wait on the motion actual numbers will be available. Member Winch suggested the motion is premature, the differential rate funds are still in litigation, and what would occur with commercial rates. Member Washburn agreed with Member Winch. Member Shipek asked Member Hendel to withdrawl or proceed with the vote. Member Hendel Withdrew the 2nd, Member Shipeck withdrew the motion. **Motion was withdrawn.**

- 7) **Commercial Tier Rate update** – (Item was taken out of order due as discussed in the announcements) This item was not taken due to time constraints. Item will be added to the next agenda.
- 8) **Expanding Community Garden Rate to Include Small Scale Farmers** - (Item was taken out of order due as discussed in the announcements) – CWAC Member Raye Winch presented the item. Those items reviewed and discussed were:
 - a) Excerpts from Pima County Food Alliance letter to Mayor and Council (9/27/2022 Study Session)
 - i) *Small-scale growers who live on the land that they farm pay significantly more for water than other commercial industries. Small farmers paying residential rates pay between **\$13 and \$18 per CCF**, while golf courses pay **\$3.36 per CCF** to use potable water to water their lawns.*
 - b) Usage Charge by Customer Class for highest tier usage (over 30 Ccf)



- c) Aligned with Plan Tucson
 - i) AG1 Reduce barriers to food production and to food distribution, including home and community gardens, and facilitate access to new markets for small-scale farmers and gardeners.
 - ii) AG2 Adopt zoning and land use regulations that promote and facilitate the safe, equitable growth and distribution of locally produced food.
 - iii) AG3 Facilitate community food security by fostering an equitable, healthy local and regional food system that is environmentally and economically sustainable and accessible to all.
 - iv) AG4 Collaborate with key partners to facilitate new opportunities for urban-scale gardens, farms, gleaning, and distribution systems.
- d) Proposal: Expand of Community Garden Rate Definition
 - i) Tucson Water currently offers a community garden water rate for community gardens, defined as: “An area of land operated not-for-profit to grow and harvest food crops primarily for the use of its members who typically cultivate individual garden plots.”
 - ii) **Proposed Changed Language:** “An area of land within the Tucson Water Service Area operated by an individual, business or non-profit to grow and harvest food crops primarily for the consumption and benefit of community members.”
- e) Defining eligible small-scale food producers
 - i) Eligible small-scale food producers:
 - ii) Have gross sales between \$1,000 and \$250,000 annually in locally grown produce, food staples, or food-producing plants primarily for human consumption. Businesses who primarily grow marijuana or animal feed are not eligible.
 - (1) Sell products through local venues for local consumption, including through:
 - (2) Farmers’ Markets and farm stands, particularly those accepting Public Assistance Benefits, such as the SNAP, Double-Up Food Bucks Arizona (DFBA), and Farmers Market Nutrition Program (FMNP), to improve access for low-income community members
 - (3) Community Supported Agriculture (CSA) programs
 - (4) Local distributors, restaurants, stores, and institutions
- f) Financial Impact to Tucson Water
 - i) The financial impact of this proposed change to Tucson Water will be exceptionally small. Currently there are only **15 sites** that are on the Community Garden Rate, **0.03% of all total water consumption** and 0.01% of all total water accounts. Most larger scale agriculture is either on a well or are already on commercial rate. This is helping to bridge the gap for these small farms.



g) Water Use Impact

Members and staff discussed the above recommendations and additional considerations during and after the staff presentation.

Motion Member Winch "CWAC supports expanding the definition of the community garden Rate to include small growers, and that Mayor and Council study some of the details of that, such as setting a limit for being primarily for use so that the percentage primarily for human consumption a potential a size limit for those farms and that staff study what it would take to implement this but that CWAC move forward with making the recommendation that staff and mayor and Council study to fill in those details_2nd Steven Wahburn. **Discussion:**

Member Little devil in the details different than the organ request to M&C direct staff to study proposal, hearing CWAC is preapproving what been presented and asking the M&C to have staff study. Asked for a rewording for staff to study currently the wording would be a no vote. Member Winch responded with clarification to the motion " *I recommend that CWAC recommend M&C to expand the definition to the community garden rate to include small scale growers, recommend that M&C direct staff to study the details including the definition of primarily and staff study the details of implementation and what that entails*".

Member Little expressed a no vote without a clear definition and parameters. Member Hendel stated it fine to support the concept and it will be studies and CWAC approving anything in a legal sense. Council will need to make the decision and study the details suggest that CWAC supports the concept. Chair Juneman disagreed that the motions states approval and then staff would study. Staff has stated that the numbers need to be studied. Chair would prefer information over a recommendation. Member Washburn stated his understanding of the motion that the definition should be expanded, and Mayor and Council would determine how that would occur. The meeting coordinator requested the motion as it was stated be placed in the Chat for clarification and confirmation Chat: "*I recommend that CWAC recommend to Mayor and Council to Expand the Definition of Community Garden Rate to include Small-Scale growers who primarily (75%) grow for local sale for human consumption. We recommend that Mayor and Council direct staff to study what it would take to implement.*"_Member Washburn asked about the \$250,000 limit to revenue. Member Winch agreed that should be included as part of all the other details of the restrictions as detailed in the previous slide. Member Washburn agreed to second. Member Winch read the slides out loud for inclusion into the motion. The meeting administrator read the motion for the record to be " The proposed language "An Area of land within the Tucson Water Service Area operated by individual business or non-profit to grow and harvest food crops primarily (75%) for the consumption and benefit of community

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members” and “Still have gross sales between \$1,000 and \$250,000 annually in locally grown produce, food staples, or food-producing plants primarily for human consumption (75%). Businesses who primarily grow marijuana or animal feed are not eligible. Sell products through local venues for local consumption, including through:

- Farmers’ Markets and farm stands, particularly those accepting Public Assistance Benefits, such as the SNAP, Double-Up Food Bucks Arizona (DFBA), and Farmers Market Nutrition Program (FMNP), to improve access for low-income community
- Community Supported Agriculture (CSA) programs
- Local distributors, restaurants, stores, and institutions

Member Winch requested to add the additional language of the letter to Mayor and Council. Member Washburn rescinded his 2nd. **Motion died**

Motion Member Winch “CWAC recommend to Mayor and Council to Expand the Definition of Community Garden Rate to be an Area of land within the Tucson Water Service Area operated by individual business or non-profit to grow and harvest food crops primarily (75%) for the consumption and benefit of community members. Recommend an eligible Small-Scale food producers as those who have gross sales between \$1,000 and \$250,000 annually in locally grown produce, food staples, or food-producing plants primarily (75%) for human consumption. Businesses who primarily grow marijuana or animal feed are not eligible. 2nd Ed Hendel. Discussion: Member Jaramillo inquired if the definition of animal feed included alfalfa. Member Winch agreed. Member Washburn explained his understanding of the motion and appreciated the sentiment as important. **Motion passed on a roll call vote 6-3.**

9) **Call to Audience** – This item was not taken due to time constraints.

10) **Future Meeting / Agenda Items** – This item was not taken due to time constraints.

11) **Adjournment** – The meeting ended at 10:10 a.m.